

# GATEWAY E-GAZETTE

August 2008

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## DISTRICT DIRECTOR'S CORNER



Dennis Melton, District Director

From a financial perspective, we are in unusual and turbulent times. The sub-prime housing market collapse has suppressed home values over the last several months and simultaneously, the stock market is down. Unemployment is back to 5%, credit standards have tightened, consumer demand is wavering, and energy costs are exploding.

Fortunately, we find some help for our small business owners in the form of the 2008 Economic Stimulus Act. In addition to the \$600 checks, the Act includes some tax incentives for businesses. See the article below for additional information.

On May 15, 2008, we also rolled out a new SBA loan program in our region. It's called the Small/Rural Lender Advantage and was designed to streamline the process for community banks and credit unions that make infre-

quent SBA loans (fewer than twenty per year) as well as to foster the economic development in rural America and urban communities. The key features include:

- A shorter, simplified application process for loans of \$350,000 or less;
- An expedited SBA loan processing time of 3-5 days for routine loans;
- Only limited, key financial documentation is required;
- An SBA guaranty of 85% for loans \$150,000 or less and 75% for loans over \$150,000 to the \$350,000 maximum;
- Loan applications may be faxed or emailed to SBA; and
- Specialized assistance from our local Lender Relations Specialists is available.

Know that SBA is involved in helping our entrepreneurs and our lending partners learn more about new benefits designed to help them and new lending programs/products designed to get capital to small business so that together, we can help turn our economy around.

Dennis Melton

## BUSINESS PROVISIONS OF THE ECONOMIC STIMULUS ACT OF 2008



U.S. Small Business Administration  
**Economic Stimulus 2008**  
Online Briefing

The Economic Stimulus Act of 2008 contains two provisions that provide tax benefits for businesses. The first provision increases the limit up to which a business can expense property purchased and placed in service during its 2008 tax year. The second provision provides an additional 50 percent special depreciation allowance for property acquired and placed in service during calendar year 2008.

Unlike the economic stimulus payments that millions of individuals have already received, the tax benefits for businesses are not automatic; businesses must act to take advantage of the new provisions by purchasing qualifying property.

SBA has provided three education tools for your use: a fact sheet, an eight-minute online briefing, and a "Depreciation Calculator" which allows small businesses to obtain an estimate of their first year depreciation under the act. To access these tools go to our web site at <http://www.sba.gov/stimulus>

Helping small businesses  
**start, grow and succeed.**



Your Small Business Resource

## SBA, FBI AND NIST PROVIDE FREE INFORMATION SECURITY TRAINING

The U.S. Small Business Administration, along with the Federal Bureau of Investigation and the National Institute of Standards and Technology, have teamed together to host a free Information Security Planning event in St. Louis on September 11, 2008, from 8:00 am to 12:00 pm. This class will take place at St. Louis Community College – Meramec, 11333 Big Bend Boulevard, Student Center, Room SC-200.

Have you ever talked to someone who lost critical information? Have you ever thought about what happens to your business if sensitive information is lost or compromised or, even worse, you find out it was stolen? Could you recreate lost sensitive business information? Could you continue business operations without that sensitive information? These are just some of the topics that will be covered in this four hour workshop. The NIST Computer Security Division has developed this workshop to help the small business owner increase information system security. By attending you will:

- Learn how to define information security (IS) for your organization.
- Hear examples of common types of threats and understand how to determine the extent to which your organization should proactively address threats
- Learn common Best Practices and procedures to operate your business more securely.
- Hear a basic explanation of current technologies used in reducing IS vulnerabilities and learn of resources freely available to your organization.

This is information that every business owner or non-profit organization will need. If you are interested in attending this free training on Thursday, September 11<sup>th</sup>, at the St. Louis Community College, space is limited, so we ask that you call Angie Wells at the SBA office, 314-539-6600, Extension 223 or email her at [angela.wells@sba.gov](mailto:angela.wells@sba.gov) to register.

## SBA LAUNCHES ELECTRONIC DISASTER LOAN APPLICATION

Disaster victims may now go online to file an application for recovery assistance from the U.S. Small Business Administration.

The electronic loan application can be accessed via the SBA's secure Web site at <https://disasterloan.sba.gov/ela/>.

Homeowners and renters who suffered damages to their homes and personal property following a declared disaster (by the President or the SBA Administrator) may apply for disaster loan assistance online. Businesses and non-profit organizations can go online to apply for assistance to cover losses to real estate and property, as well as economic injury.

"This online application provides a convenient alternative for disaster victims as they take their first steps toward rebuilding after a disaster," said Acting Administrator Jovita Carranza.

The electronic loan application contains a feature that automatically checks errors and prompts applicants when additional information is needed, guaranteeing a quicker loan-

processing/decision time frame. On-screen help includes a glossary to explain terms that may be unfamiliar to the applicant.

Entering data to the electronic loan application is as secure as purchasing airline tickets online. When the user enters the Web site, a secure encrypted connection is established. Identity-proofing devices are also used in the application, which include the use of two pass codes by the applicant.

Paper disaster loan applications will still be mailed to disaster victims, and the package will include directions to the electronic loan application Web site. Questions about the electronic loan applications can be directed to SBA's Disaster Customer Service Center at 1-800-658-2955, or by sending an e-mail to [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov).

For the latest news and information about SBA's Disaster Assistance program, visit the Web site at <http://www.sba.gov/services/disasterassistance/index.html>.

***"This online application provides a convenient alternative for disaster victims as they take their first steps toward rebuilding after a disaster," said Acting Administrator Jovita Carranza.***



## SMALL BUSINESS TRAINING NETWORK (SBTN): TWO NEW ONLINE FINANCE COURSES AVAILABLE

SBA has introduced two new free online finance courses to help small business owners with the basic principles of finance and borrowing. The finance courses can help entrepreneurs avoid some of the common mistakes made such as securing the wrong type of financing, miscalculating the amount of financing required, and underestimating the cost of borrowing money.

The new self-paced courses, **Finance Primer: Guide to SBA's Loan Guaranty Programs** at <http://app1.sba.gov/sbtn/registration/index.cfm?CourseId=29> and **How to Prepare a Loan Package** at <http://app1.sba.gov/sbtn/registration/index.cfm?CourseId=28>, walk business owners through steps that answer questions about what debt financing is, what loan programs are available, what small businesses should know about borrowing money, how to prepare a loan package and how loan requests are reviewed by lenders.

The Finance Primer gives an overview of the SBA's loan guaranty programs to help small businesses understand the variety of financial resources, including those from the SBA.

The Loan Package course includes small business links to related information, and refers course participants for direct support in preparing a loan request to appropriate resources that include SBA's district offices, SBA resource partners and lenders.

Course participants who complete the 30-minute online training programs can earn a certificate of completion from the SBA, with their name, date and course title.

The new finance courses have been added to a menu of more than 26 online tutorials offered by the SBA. On a typical day, 800 to 2,000 customers register for free online courses offered by the SBA through its virtual training campus at the Small Business Training Network (SBTN) ([www.sba.gov/training](http://www.sba.gov/training)).

## SPOTLIGHT ON THE FIELD



### **News from Central Missouri**

Jay Edwards, SBA's Senior Area Manager for central Missouri, will be on hand to provide information and services available to small businesses at the following events. Please be sure to stop by.

#### **Micro Business Fair and Reception**

The third annual Micro Business Fair and Reception, hosted by the Columbia Chamber's small business committee, will be held at the Stoney Creek Inn & Conference Center on October 7, 2008, from 3-7 p.m. A free seminar, "3 Keys to Unlock Small Business Success," will be held during the event.

The event is free of charge and open to the public. For additional information, contact the Columbia Chamber of Commerce at (573) 874-1132.

#### **BIG (Business-Industry-Green Ideas) Expo**

The Jefferson City Area Chamber of Commerce will present its annual business expo on October 9, 2008 from 9 a.m. to 6 p.m. at the Firley YMCA, 525 Ellis Boulevard.

This year's show, which features more than 175 business booths, will also include a business recycling drive. The chamber expects to collect well over 35,000 pounds of waste that will be diverted from area landfills. Recycling

will be available on October 8th as well as the day of the expo and will be located at Westgate Lanes.

For additional information, please contact the Jefferson City Area Chamber of Commerce at (573) 634-3616.

### **News from Southeast Missouri**

Angie Wells, Women's Business Ownership Representative for the St. Louis district office, will have an exhibit at two women's events being held in southeast Missouri. Information on SBA's products and services will be available.

#### **Women Aware, Inc. Conference**

The 21st annual event will be held on September 25, 2008, at the Black River Coliseum in Poplar Bluff from 8 a.m. to 3 p.m.

This is a one-day conference designed for those who want information on personal growth, how to expand business skills, how to improve family life and for those interested in networking with others. The conference will "Open Doors" to new opportunities by featuring more than fifty business booths that attendees can visit throughout the day and a nationally recognized conference speaker.

For additional information, contact Christy Rains at (573) 712-7954 or Barbara Horton at (573) 785-1414.

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## Gateway e-Gazette

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We welcome your questions or comments. Please contact me at the e-mail address listed above.

### Subscription Information

If you would like to subscribe to receive this quarterly e-newsletter and other periodic information, please go to <http://web.sba.gov/list/> and click on the box in front of *Eastern Missouri Newsletter*, submit your name and e-mail address, and click Submit.

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Your Small Business Resource

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### Women's Health Conference

The 5th annual Women's Health Conference will be held on October 10, 2008 at the First Christian Church, 1006 N. Main, in Sikeston at 8:00 a.m. and is free to the public.

There will be a keynote speaker and a group of dynamic breakout sessions with a wide variety of information. The exhibitors will enhance the information you gain during the conference.

For additional information, contact Maude Harris at the University of Missouri Extension in Benton at (573) 545-3516.

## MOST ACTIVE LENDER RANKINGS FOR FISCAL YEAR 2008\*

Multi-State	# of Loans	Amount
U.S. Bank, NA	165	\$11,974,300
Commerce Bank, NA	110	12,141,300
National City Bank	28	1,360,800
Innovative Bank	26	440,000
Superior Financial Group	26	277,500
Southwest Bank, an M&I Bank	24	1,254,000
Bank of America, NA	17	381,000
Capital One	13	550,000
Regions Bank	10	4,122,700

Community Banks	# of Loans	Amount
The Bank of Missouri	27	\$3,062,600
Bank of Sullivan	12	1,085,800
The Central Trust Bank	10	922,500
Pulaski Bank	8	3,104,395
Boone County National Bank	7	1,598,000
Hawthorn Bank	5	1,665,000

Certified Development Companies	# of Loans	Amount
Economic Development Corp. of St. Charles County	31	\$16,843,000
RMI	11	4,480,000
Meramec Regional Dev Corp	6	2,319,000

\* Rankings through July 31, 2008